

## REMARKS

Claims 1-5, 8-11, 16-18, 24, 38-40, 47, and 61 are currently pending in the present application. Reconsideration and reexamination of the claims as amended and added are respectfully requested.

The Examiner rejected all of the pending claims under 35 U.S.C. § 103(a) as being unpatentable over Jones (U.S. patent no. 5,412,730) in view of Kocher (U.S. patent no. 6,289,455). This rejection is respectfully traversed with respect to the amended claims.

As previously communicated, the present invention is directed to a scalable secured communication network, such as a user-subscribed cable or satellite network, that facilitates communications to and between authorized users within the network. As shown in Figure 1 of the present application, each of the authorized user (shown as communication interfaces 101) possess a unique seed (small letters a-h) that are unique to the particular communication interface for generating keys to decrypt and/or encrypt messages between the particular communication interface and the master station 107. As also shown in Figure 1, all of the communication interfaces also possess a common seed "B" that each of the communication interfaces can use to generate keys to decrypt messages received from the master station 107 that is intended to be received by everyone within the secured communication network. For instance, if the secured network is a satellite premium TV subscription service, then each of the users may use common seed "B" to generate decryption keys for decrypting regular satellite programming signal.

As also previously communicated, for situations where the master station 107 needs to communicate with individual users (e.g., unicast), for reasons such as billing-related messages or pay-per-view program delivery, then the master station will encrypt the message using decryption keys generated from a unique seed value corresponding to the unique seed value stored at the

communication interface of the intended receiver. The system can also be used where a user of the system wishes to send a message to another one of the users of the community. Specifically, the user sending the message can encrypt the message using a key generated by a unique seed and relate the message to the other user through the master station. Upon receiving a message from one user to another, the master station first decrypts the message using a key generated by the sender's unique seed (which is stored in the master station), and re-encrypts the message using the unique seed of the intended receiver of the message. The message is then related to the intended receiver, who then decrypts the message

By using a two-tiered seed value system, the present invention provides flexibility in communication with/between either all or just select view member of the secured network.

Applicants respectfully submit that neither Jones nor Kocher, or the combination thereof, disclose a system in which each user of an authorized community can encrypt data to be transmitted to the system. Rather, Jones discloses a secured communication system in which receivers of encrypted data can generate synchronous keys to be used for decrypting the encrypted message, whereas Kocher discloses a digital content distribution system in which cryptographic rights units ("CRUs") receive and decrypt premium digital content for playback on a consumer media device (such as a satellite receiver box). While Kocher teaches that each CRU stores a device-specific key as well as a batch key; Kocher does not disclose or suggest that the CRUs are capable of encrypting and transmitting data to the system or to other CRUs. The systems disclosed in both Jones and Kocher are intended for distribution of data, and simply do not contain any teachings of bi-directional or duplex secured communication between different users of an authorized community and a central master station, wherein each of the users possess a unique seed and a common seed for generating different keys for different types of communication. Accordingly, Applicants

respectfully submit that the pending claims, as amended, are not anticipated by, not obvious in view of, Jones and Kocher.

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. An amendment after final office action is respectfully requested, and the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue. If it is determined that a telephone conversation would expedite the prosecution of this application, the Examiner is invited to telephone the undersigned at the number given below.

In the unlikely event that the transmittal letter is separated from this document and the Patent Office determines that an extension and/or other relief is required, applicant petitions for any required relief including extensions of time and authorizes the Assistant Commissioner to charge the cost of such petitions and/or other fees due in connection with the filing of this document to Deposit Account No. 03-1952 referencing docket no. 578062000100. However, the Assistant Commissioner is not authorized to charge the cost of the issue fee to the Deposit Account.

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Respectfully submitted,

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